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DEPARTMENT OF EDUCATION

34 CFR Chapter III

[Docket ID ED-2014-OSERS-0024]

Final priorities. Rehabilitation Services Administration--  
Capacity Building Program for Traditionally Underserved  
Populations--Vocational Rehabilitation Training Institute  
for the Preparation of Personnel in American Indian  
Vocational Rehabilitation Services Projects

[CFDA Number: 84.315C.]

AGENCY: Office of Special Education and Rehabilitative  
Services, Department of Education.

ACTION: Final priorities.

SUMMARY: The Assistant Secretary for Special Education and  
Rehabilitative Services announces two priorities under the  
Capacity Building Program for Traditionally Underserved  
Populations administered by the Rehabilitation Services  
Administration (RSA). The Assistant Secretary may use one  
or more of these priorities for competitions in fiscal year  
(FY) 2014 and later years. Priority 1 establishes a new  
vocational rehabilitation (VR) training institute for the  
preparation of personnel in American Indian Vocational  
Rehabilitation Services (AIVRS) projects (the Institute).

Priority 2 requires a partnership between a four-year institution of higher education (IHE) and a two-year community college or tribal college. This partnership is designed to successfully implement the VR training Institute established in Priority 1. In addition, the partnership agreement required under Priority 2 provides a brief description of how the partnership will be managed, the partners' roles and responsibilities and a strategy for sustaining the partnership after the Federal investment ends.

EFFECTIVE DATE: These priorities are effective [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Kristen Rhinehart-Fernandez, U.S. Department of Education, 400 Maryland Avenue, SW., room 5027, Potomac Center Plaza (PCP), Washington, DC 20202-2800. Telephone: (202) 245-6103 or by email: [kristen.rhinehart@ed.gov](mailto:kristen.rhinehart@ed.gov).

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SUPPLEMENTARY INFORMATION:

Purpose of Program: The Capacity Building Program for Traditionally Underserved Populations under section 21(b)(2)(C) of the Rehabilitation Act of 1973, as amended (Rehabilitation Act) (29 U.S.C. 718(b)(2)(C)), provides outreach and technical assistance (TA) to minority entities and American Indian tribes to promote their participation in activities funded under the Rehabilitation Act, including assistance to enhance their capacity to carry out such activities.

Program Authority: 29 U.S.C. 718(b)(2)(C).

We published a notice of proposed priorities for this competition in the Federal Register on June 11, 2014 (79 FR 33486). That notice contained background information and our reasons for proposing the particular priorities.

Public Comment: In response to our invitation for public comment in the notice of proposed priorities, 10 parties submitted comments.

We group major issues according to subject. Generally, we do not address technical and other minor changes. In addition, we do not address comments that raised concerns not directly related to the proposed priorities.

There are differences between the proposed priorities and these final priorities as discussed under Analysis of Comments and Changes. We made several changes to strengthen and clarify the priorities. Specifically, the revised priorities require the Institute to consult with appropriate and relevant entities in developing and providing training and TA to AIVRS projects; ensure that all materials developed reflect the AIVRS target population and diversity among its communities to the maximum extent possible; provide training through a variety of delivery methods so as not to exclude any participants and to meet the needs of the particular community served to the maximum extent possible; and ensure that training focused on effective communication with business reflects the marketplace of tribal communities. Further, we clarify the Institute's role, the target audience for this project, and the requirements for awarding a VR certificate. Finally, we substantially revise Priority 2 in order to clarify its purpose, requirements, and intended outcomes, and how applicants are to respond to this priority in the application.

Analysis of Comments and Changes: An analysis of the comments and of any changes in the priorities since publication of the notice of proposed priorities follows.

Comment: A number of commenters recognized the work of the Consortia of Administrators for Native American Rehabilitation (CANAR) and its TA project currently funded by RSA, Tribal Vocational Rehabilitation Continuous Improvement for Rehabilitation Counselors, Leaders, and Educators (TVR-Circle). Commenters suggested that, for the Institute to be effective, those already working, or with significant experience, in the field of tribal VR should be involved in the development of the curriculum for this project as well as in making decisions regarding methods of delivering the curriculum. Commenters suggested that a Native American-led entity with a national focus, such as CANAR, should serve as the lead consultant for the Institute.

Discussion: We agree that CANAR's TVR Circle currently serves as a valuable resource not only in understanding cultural competencies, but also in providing TA, organizational development, and educational training activities that are focused on the needs of AIVRS projects. Priority 1 does not require a lead entity or consultant for

this project, other than the Institute. Priority 1 requires the Institute to conduct outreach activities and consult with appropriate and relevant entities in developing and providing training and TA to AIVRS projects.

Changes: We added language to the introductory paragraph of Priority 1 to clarify the role of the Institute, which includes conducting outreach activities and consulting with appropriate and relevant entities in developing and providing training and TA to AIVRS projects.

Comment: Several commenters emphasized the need for greater focus on the inclusion of cultural competencies within the priorities. Specifically, commenters stated that the Institute must ensure that its products, curriculum, and deliverables reflect the AIVRS target population, especially the diversity among American Indian and Native Alaskan communities. In addition, commenters noted that an understanding of how to deliver VR services within a particular cultural context is a critical component of the AIVRS program.

Discussion: Priority 1 requires the Institute to develop a structured program of training in a culturally appropriate manner. Priority 1 also states that the Institute must provide culturally relevant training that goes beyond

technical compliance with the program statute and regulations applicable to the AIVRS program (Section 121 of the Rehabilitation Act, 34 CFR parts 369 and 371, and EDGAR). However, we believe that this priority should also specify that the products, curriculum, and deliverables must also reflect the AIVRS target population.

Change: We added a sentence to the introductory paragraph of Priority 1 to emphasize the importance of reflecting the AIVRS target population and diversity among its communities in all materials developed by the Institute to the maximum extent possible.

Comment: A commenter requested clarification as to whether the TA mentioned in Priority 1, paragraph (e), which requires the applicant to identify innovative methods and strategies for supporting AIVRS personnel when they have completed their training, and the TA mentioned in Priority 1, paragraph (g), which requires applicants to describe a plan to provide follow-up TA, either virtually or on-site to participants, applies to AIVRS projects seeking TA or only to participants who received training through the Institute.

Discussion: It is important to distinguish between TA to be provided by the Institute and TA currently provided by

the TVR Circle. The follow-up TA described in paragraphs (e) and (g) of Priority 1 states that it is for participants who have completed the structured program of training delivered by the Institute. The target audience for this structured program of training is AIVRS project personnel with little or no experience in VR processes and practices. By contrast, the TA provided by the TVR Circle is intended to improve the performance of AIVRS grantees that are determined to be "at risk" by the Department. Because both paragraphs (e) and (g) describe the follow-up as occurring only after successful completion of the structured program of training, we believe the priority is clear as written.

Change: None.

Comment: Several commenters recommended a diverse model for delivering the structured program of training to meet the needs of the target audience. Some commenters raised a concern that many AIVRS projects are located in rural and remote communities that present challenges to providing in-person training. In addition, commenters stated that, although web-based training is cost effective, it may not be the best option for all projects, as reliable Internet access may not be available in many tribal communities.



Commenters suggested different methods of offering training such as on-line, in a traditional classroom setting, or at regional trainings throughout the country as an extension of national conferences. In addition, commenters suggested that grant funds be used to cover the costs of participant travel in order to ensure that AIVRS project funds are used for program services.

Discussion: We agree that training should be offered through a variety of delivery methods so as not to exclude any participants and to meet the needs of the particular community served as much as possible. Priority 1, as proposed, stated that the series of trainings may be offered in person, through distance learning, or through a combination of the two. In addition, the U.S. Department of Education General Administrative Regulations (EDGAR), and government-wide requirements, including applicable Office of Management and Budget (OMB) cost principles, provides general guidance regarding costs and cost-related issues and requirements related to travel. The cost principles do not preclude grant funds from being used to offset costs associated with travel, such as transportation or lodging. However, we want to stress that travel expenses must be reasonable and should be used to ensure

that AIVRS project personnel located in remote areas of the country are able to participate in the Institute.

Change: In order to adequately address that the training should be offered through a variety of delivery methods, we added language in the introductory paragraph in Priority 1 to clarify that training may be offered in a traditional classroom setting, through distance learning, through week-long institutes, at regional trainings throughout the country as an extension of national conferences, and through other delivery methods, as appropriate, to meet the needs of the targeted audience. We also revised Priority 1 to specify that grant funds may be used to provide reasonable financial assistance to offset costs associated with travel for participants who may be located in remote areas of the country.

Comment: Some commenters asked whether RSA intends for the Institute to award an academic certificate or a non-academic certificate. Commenters indicated that an academic certificate is transferable to an Associate of Arts degree, an undergraduate degree, or a graduate degree, while a non-academic certificate may impart knowledge, skills, and abilities but will not benefit the AIVRS

personnel in furthering their academic credentials and professional credibility.

Discussion: Priority 1 does not distinguish between an academic and a non-academic certificate. It is our intent that a VR certificate, academic or non-academic, represent more than successful completion of the program. The VR certificate demonstrates that a participant has received the foundational VR knowledge and skills in the provision of VR services and is able to provide appropriate, effective, and culturally relevant VR services to American Indians with disabilities to prepare for, and engage in, gainful employment consistent with their informed choice. A VR certificate could be used by participants to further their pursuit of a post-secondary degree. For example, an applicant could propose to award college credit to a participant who meets the requirements and criteria established for a VR certificate, which may then be used by the participant to support an application to a four-year IHE that offers an undergraduate degree in VR counseling. However, it is up to the applicant to determine whether the Institute will award an academic or non-academic certificate. Further, the applicant must establish requirements and criteria for obtaining the VR certificate

and define how the certificate may be used by participants, if desired, to pursue an advanced degree.

Change: In order to clarify the purpose of a VR certificate, we added language to the introductory paragraph of Priority 1 to clarify that the Institute may determine whether the VR certificate awarded will be academic or non-academic, the requirements for obtaining such a certificate, and how the certificate may be used by participants who earn it.

Comment: Commenters raised concerns regarding excessively high unemployment and an overall lack of industry in many tribal communities and how those issues may affect the training topic specified in Priority 1 to focus on effective communication with business. Commenters suggested that the content in this topic be expanded to include approaches for developing relationships and working with entrepreneurs, small businesses, and cooperative businesses that may offer emerging employment opportunities for tribal members with disabilities.

Discussion: We recognize the commenters' concerns related to high unemployment and accept their proposed suggestions for expanding the topic focused on effective communication

with business to include working with entrepreneurs, small businesses, and cooperative businesses.

Change: In order to ensure that the training module titled "Effective Communication with Business" is an accurate representation of the marketplace in tribal communities, we expanded the first sentence of Priority 1, paragraph (a)(3), to include all types of businesses, especially entrepreneurs, small businesses, and cooperative businesses that may offer employment opportunities for tribal members with disabilities.

Comment: None.

Discussion: In our own review of the priorities, it became apparent that paragraph (h)(4) of Priority 1 is unclear and that the language in that paragraph does not meaningfully add to the requirements for the priority. Therefore, we are removing this language.

Change: In Priority 1, paragraph (h)(4) is removed. Therefore, paragraph (h)(5) in Priority 1 is renumbered as paragraph (h)(4).

Comment: A few commenters requested clarification regarding whether Priority 2 is a subset of Priority 1 and whether applicants will be required to meet both priorities.

Discussion: We believe that the Institute, as proposed, must be developed and delivered through collaboration between a four-year IHE and a two-year community college or tribal college. We believe that the priorities, as written, are clear.

Change: None.

Comment: A few commenters requested clarification regarding Priority 2, which, as proposed, requires collaboration between a four-year IHE and a two-year community college or tribal college. Commenters inquired as to whether other partners, in addition to a four-year IHE and a two-year community college or tribal college, could be involved in a collaboration agreement.

Discussion: In Priority 2, as proposed, we require collaboration between a four-year IHE and a two-year community college or tribal college. The collaboration may be expanded to include other relevant partners to support the goals and expected outcomes of this project, such as a business. However, the collaboration must include, at a minimum, a four-year IHE and a two-year community college or tribal college. We believe that the priority is clear as written.

Change: None.

Comment: None.

Discussion: In our own review of the priorities and the comments we received, it became clear that applicants could benefit from additional details and clarification about our requirements in Priority 2. Therefore, we revised the priority to clarify its purpose, requirements, intended outcomes, and how applicants are to respond to the priority. First, the purpose of Priority 2 is to require a partnership between a four-year IHE and a two-year community college or tribal college to effectively implement the requirements of Priority 1. We believe that community colleges or tribal colleges are uniquely suited to provide the type of customized instruction necessary to meet the requirements of Priority 1. In addition, the involvement of a four-year IHE will improve the instruction by providing access to faculty who possess a breadth of knowledge and experience in the field of VR. Therefore, applicants will respond to Priority 2 by demonstrating, in the narrative portion of their application, that the Institute reflects a collaboration of knowledge, experience, skills, faculty, curriculum, resources, and technology between a four-year IHE and a two-year community college or tribal college in order to deliver a high-

quality structured program of training on foundational VR knowledge and skills in a culturally appropriate manner.

Second, Priority 2, as proposed, was written to require collaboration between a four-year IHE and a two-year community college or tribal college. We replaced the term "collaboration" in the proposed priority with the term "partnership" in the final priority in order to better reflect the type of relationship that we intended between the four-year IHE and the two-year community college or tribal college. In addition, Priority 2, as proposed, was written to require a formal agreement between a four-year IHE and a two-year community or tribal college. We replaced the term "formal agreement" with the term "partnership agreement" in order to better reflect the purpose of the priority. In Priority 2, the partnership agreement is required to be submitted in addition to the narrative portion of the application.

Third, Priority 2, as proposed, would have given the Secretary discretion to require the formal agreement to include the signatures of the president and chief financial officer from the four-year IHE and the two-year community college or tribal college. However, after review, we concluded that it is essential that the partnership



agreement contain the signatures of the president and chief financial officer of both parties, and we make this a mandatory component of the agreement. In addition, we concluded that the remaining four elements of the agreement are also critical to ensuring that the partnership is able to effectively implement the requirements in Priority 1 and meet the goal of the Institute. Therefore, the partnership agreement described in Priority 2 must contain all four components, three of which we revised to clarify and streamline the applications.

Finally, a component in Priority 2, as proposed, required the formal agreement to include in-kind or financial contributions from both parties. However, because there are no matching requirements in this program, we revised this component to make clear that these contributions are not required. Another component in Priority 2, as proposed, required the formal agreement to include a plan to sustain the partnership after the Federal investment ends. We revised this requirement for the partnership agreement in the final priority to require applicants to provide a brief strategy to sustain the partnership after the Federal investment ends.

Change: Priority 2 is revised to clarify the requirements for the partnership between a four-year IHE and two-year community college or tribal college, including its objective of delivering a high-quality structured program of training on foundational VR knowledge and skills in a culturally appropriate manner. Priority 2 also is revised to require a partnership agreement, which must be signed by the president and chief financial officer of both parties. The required partnership agreement must include a brief description of how the partnership will operate each year during the five-year grant period of performance. The agreement must also describe how information regarding the progress of the grant, as well as any issues and challenges, will be communicated; what steps will be taken to resolve conflicts; the roles, responsibilities, and deliverables of each party; and the arrangements, if any, for supporting the program with resources, that are not paid for by the award; and include a brief strategy to sustain the partnership and the structured training program after the Federal investment ends.

FINAL PRIORITIES:

Priority 1: Vocational Rehabilitation Training Institute  
for the Preparation of Personnel in American Indian  
Vocational Rehabilitation Services Projects

The Assistant Secretary for Special Education and Rehabilitative Services establishes a priority to support one Institute under section 21(b)(2)(C) of the Rehabilitation Act of 1973, as amended--the Vocational Rehabilitation (VR) Training Institute for the Preparation of Personnel in American Indian Vocational Rehabilitation Services (AIVRS) Projects (the Institute). The Institute will provide a structured program of training in vocational rehabilitation (VR) to current personnel of the AIVRS projects to improve the delivery of VR services to American Indians with disabilities. The Institute will conduct outreach activities and consult with appropriate and relevant entities in developing and providing training and TA to AIVRS projects. All products, curricula, and deliverables developed by the Institute must reflect the AIVRS population and diversity among its communities to the maximum extent possible. The Institute will consist of a series of trainings specifically geared towards building foundational skills that, when satisfactorily completed, will lead to a VR certificate awarded by the Institute.

The Institute may determine whether the VR certificate awarded will be academic or non-academic, the requirements for obtaining such a certificate, and how the certificate may be used by participants who earn it. The series of trainings may be offered in a traditional classroom setting, through distance learning, through week-long institutes, at regional trainings throughout the country as an extension of national conferences, and through other delivery methods, as appropriate, to meet the needs of the targeted audience. In addition, grant funds may be used to provide reasonable financial assistance to offset costs associated with travel for participants who may be located in remote areas of the country. The Institute will conduct an assessment before and after providing training for each participant in order to assess strengths and specific areas for improvement, educational attainment and application of skills, and any issues or challenges to be addressed post-training to ensure improved delivery of VR services to American Indians with disabilities. The Institute will provide follow-up TA to participants to address any issues or challenges that are identified post-training and to ensure that the training they received is applied effectively in their work setting. Finally, the Institute

will conduct an evaluation to obtain feedback on the training and follow-up TA and to determine whether this improvement contributed to increased employment outcomes for American Indians with disabilities.

The Department will award this grant as a cooperative agreement to ensure that there is substantial involvement (i.e., significant communication and collaboration) between RSA and the grantee in carrying out the activities of the program (34 CFR 75.200 (b)(4)).

In coordination with the Department, the Institute must, in a culturally appropriate manner:

(a) Develop a structured program of training on foundational VR knowledge and skills that will lead to AIVRS personnel earning a VR certificate. The training would include, at a minimum: vocational assessment, determination of applicant eligibility, development of an individualized plan for employment (IPE), the acquisition and use of assistive technology, and obtaining and using up-to-date labor market information to understand the local economy and effectively match the skills of AIVRS consumers with the needs of employers. The Institute must provide culturally relevant training that goes beyond technical compliance with the program statute and regulations

applicable to the AIVRS program (Section 121 of the Rehabilitation Act, 34 CFR Parts 369 and 371, and EDGAR) and focuses on providing the basic foundational skills necessary to improve counseling and VR services provided by AIVRS personnel. The training topics must include, at a minimum:

(1) Introduction to VR: an orientation to the field of VR, addressing in general terms the various disabilities a VR counselor is apt to encounter working in an AIVRS project. The training developed by the Institute must teach AIVRS personnel to understand the nature of a significant disability and the complexities a person with such a disability experiences and must teach how various disabilities affect an individual's ability to participate in competitive employment;

(2) Effective communication with AIVRS consumers including: identification of approaches to, techniques for, and relevant examples of developing trust and rapport with individuals with a disability; appropriate conduct when engaging with individuals with a disability; and interacting with members of the tribal council;

(3) Effective communication with business including: identification of approaches to, techniques for, and

relevant examples of building and maintaining relationships with all types of businesses, especially entrepreneurs, small businesses, and cooperative businesses that may offer emerging employment opportunities for tribal members with disabilities. This training topic includes educating potential employers about how reasonable accommodations and assistive technology can be used to support effectively the employment of individuals with disabilities. The Institute must also teach participants how to obtain accurate labor market information on available employment opportunities in their State and local area, and how to identify education, technical requirements, and necessary skill sets for the jobs available;

(4) Conducting a vocational assessment and determining eligibility: how to obtain and evaluate necessary medical and other documentation and the results of assessments that may have been conducted by entities other than the AIVRS project. The Institute must teach AIVRS personnel how to use appropriate assessment tools that assist in determining an individual's eligibility for VR services and in developing an IPE;

(5) Managing caseload: how to manage cases so that information can be retrieved and communicated to the AIVRS

consumer in a timely manner. The Institute must teach AIVRS personnel how to create, manage, and appropriately close consumer case files;

(6) Development of an IPE: how to plan and provide VR services that lead to meaningful employment opportunities that are at appropriate skill levels and consistent with the consumer's abilities, interests, and informed choice; and

(7) Development of job-seeking skills: identification of approaches to, techniques for, and relevant examples of improving job-seeking skills. This includes resume preparation, practicing interview skills, networking, navigating job sites, targeting job searches, and other effective skills that will lead to job placement for AIVRS consumers.

(b) Develop a course syllabus that describes the proposed sequence of topical training.

(c) Develop a training module for one of the seven topics in paragraph (a) to serve as an example for how participants will be trained in that area.

(d) Develop a recruitment and retention plan that describes how the Institute will conduct outreach activities and recruitment efforts to enroll current AIVRS



personnel in the Institute. Current AIVRS staff may nominate themselves or be nominated by the AIVRS project director to participate in the Institute. The plan must also describe how the Institute will provide academic support and counseling for AIVRS personnel to ensure successful completion, as well as steps that will be taken to provide assistance to AIVRS personnel who are not performing to their fullest potential in the Institute's structured program of training.

(e) Identify innovative methods and strategies for supporting AIVRS personnel when they have completed the training, including a plan for maintaining regular contact with AIVRS personnel upon successful completion of the structured program of training and providing follow-up TA on various situations and settings encountered by AIVRS personnel in working with American Indians with disabilities, as well as TA on effective programmatic and fiscal management of an AIVRS project.

(f) Develop an assessment tool for use by the Institute before and after the training. The assessment must identify the strengths and specific areas in which participants need to improve prior to the beginning of the training. In addition, 90 days after the training is

completed, the assessment must evaluate the attainment of skills, demonstrated application of those skill sets, and any issues or challenges for participating AIVRS personnel that may impact improved delivery of VR services to American Indians with disabilities. The Institute must administer the assessment tool and provide a copy to participants. The Institute must also ensure that the results are reviewed with participating AIVRS personnel and shared with their respective Directors.

(g) Describe a plan to provide follow-up TA, either virtually or on-site, to participants. The purpose is to ensure that the training that AIVRS personnel received is applied effectively in their work settings and addresses any issues or challenges identified as a result of the assessment that is conducted 90 days after the training is completed.

(h) Describe how the Institute will be evaluated. Such a description must include:

(1) How the Institute will determine its impact over a period of time on improving the delivery of VR services to American Indians with disabilities and increasing employment outcomes;

(2) How input from AIVRS project directors will be included in the evaluation;

(3) How feedback from American Indians with disabilities will be included in the evaluation;

(4) How the data and results from the evaluation will be used to make necessary adjustments and improvements to AIVRS projects and training of AIVRS personnel.

Priority 2: Partnership Between a Four-Year Institution of Higher Education and a Two-Year Community College or Tribal College.

Applicants will demonstrate, in the narrative portion of their application, that the Institute reflects a collaboration of knowledge, experience, skills, faculty, curricula resources, and technology between a four-year IHE and a two-year community college or tribal college in order to deliver a high-quality structured program of training on foundational VR knowledge and skills in a culturally appropriate manner.

Applicants are required to submit a partnership agreement, in addition to the narrative portion of their application. The partnership agreement must be signed by the president and chief financial officer of both parties. Applicants must include a brief description in the

partnership agreement of how the partnership will operate each year during the five-year grant period of performance. Applicants must also summarize in the agreement how information regarding the progress of the grant, as well as any issues and challenges, will be communicated; what steps will be taken to resolve conflicts; the roles, responsibilities, and deliverables of each party; and the arrangements, if any, for supporting the program with resources, that are not paid for by the award. Finally, applicants must provide a brief strategy in the agreement to sustain the partnership and the structured training program after the Federal investment ends.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an

application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

This notice does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

Note: This notice does not solicit applications. In any year in which we choose to use these priorities, we invite applications through a notice in the Federal Register.

#### Executive Orders 12866 and 13563

#### Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the

Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This final regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this final regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing these final priorities only on a reasoned determination that their benefits justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this final regulatory action does not unduly interfere with State, local, and



tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department's programs, projects, and activities.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79, unless the applicant is a federally recognized Indian tribe. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) by contacting the Grants and Contracts Services Team, U.S.

Department of Education, 400 Maryland Avenue, SW., room 5075, PCP, Washington, DC 20202-2550. Telephone: (202) 245-7363. If you use a TDD or a TTY, call the FRS, toll free, at 1-800-877-8339.

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Dated: August 11, 2014.

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Michael K. Yudin,  
Acting Assistant Secretary for  
Special Education and  
Rehabilitative Services.

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